

ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

HRM Counties: Bronx, Kings, Manhattan, Nassau, Queens, Richmond, Suffolk,
Westchester

APPLICATION	
<u>Application Completion</u>	
<ul style="list-style-type: none"> • Homeowner applications can be bound effective a maximum of 180 days future effective. • Homeowner applications cannot be backdated • Applicant's signature is required. • Comply with the established Company Policy regarding the ordering of credit reports. • Any misrepresentation or concealment of material facts during the application process will cause ineligibility or cancellation. • Maximum agent binding authority: <ul style="list-style-type: none"> -Non-HRM: \$2M -Westchester: \$1.5M -HRM excluding Westchester: \$850,000 (See the HRM Section) 	
<u>Pre-Qualifying Business (PQB)</u>	
<ul style="list-style-type: none"> • Property LIS/CLUE must be run on all applicant(s) prior to binding coverage. • Credit history information to determine financial stability must be ordered on applicant (s) prior to binding. • Social Security Numbers are preferred for named insured and spouse, but not required. 	
<u>New Business Moratorium</u>	
<ul style="list-style-type: none"> • In the event of a catastrophe or impending catastrophe, Risk Management may invoke a moratorium on new business. In such events, a written operating standard will be sent to all new business channels outlining specific requirements (Regionally determined) to follow. 	

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QUALIFICATION
<u>Loss History</u>
<u>PRIMARY RESIDENCE:</u>
<u>IS 1-20:</u> <ul style="list-style-type: none">Maximum of 2 claims (paid or unpaid) in the past 5 years<ul style="list-style-type: none">No more than 1 of the above claims can be from Group D or Group E.
<u>IS 21-40:</u> <ul style="list-style-type: none">Maximum of 1 claim (paid or unpaid) in the past 5 years
<u>IS 41-50:</u> <ul style="list-style-type: none">0 claims (paid or unpaid) in 5 years
Town Class 9 (for all IS Scores) - Maximum of 1 claim (paid or unpaid) in the past 5 years. Claim cannot be a Group D loss.
Town Class 10 (for all IS Scores) is required to be clean in 5 years.
<u>SECONDARY/SEASONAL RESIDENCE:</u>
<u>IS 1 – 40:</u> <ul style="list-style-type: none">1 Group F claim (paid or unpaid) in the past 5 years and0 Group D or E claims (paid or unpaid) in 5 years.0 Group G claims (paid or unpaid) <u>at the property to be insured</u> in the past 5 years.
<u>IS 41 - 50:</u> <ul style="list-style-type: none">0 claims (paid or unpaid) in 5 years
<u>Town Class 9 (for all IS Scores) is required to be clean in 5 years.</u>
<u>Town Class 10 is ineligible.</u>

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Group D: Fire including smoke, puff back and explosion (does not include lightning)
Group E: Theft (including mysterious disappearance), Liability, and Vandalism
Group F: All other
Group G: Water

Claim History Reference:

- Claims include both catastrophic and non-catastrophic claims.
- Claim history follows the applicant and should not be scrubbed.
- Claims that occurred at the residence premises to be insured, but from the previous owner, will not be considered (with the exception noted above pertaining to Seasonal/Secondary homes with Group G claims).

Prior Insurance

Applies to both PRIMARY and SECONDARY/SEASONAL residence Homeowners:

- 1 Full year required with no lapse in coverage when the need existed.
- Applicants with no prior insurance due to no need, are required to maintain a \$1,000 or higher deductible for 1 year.
- Applicants with no prior insurance due to no need, are required to provide proof of closing for both 'no prior insurance' verification and the Welcome Discount.

*Need = having owned a current or prior dwelling. (Homeowner, Condo/CoOp, Mobile Home or Manufactured Home).

Fire Protection

- Town Class 10 must have \$1,000 or higher deductible.
- Town Class 10 SEASONAL/SECONDARY residences are ineligible.
- All dwellings must be located within 10 miles of the responding Fire Department.

Ineligible Dwellings

Applies to both PRIMARY and SECONDARY/SEASONAL residence Homeowners:

- Dwellings currently undergoing extensive renovations.
- Secondary/Seasonal property held for rental/loan.
- Camper/Travel trailers.
- Business/commercial exposure on property including incidental office exposures.

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NEW YORK REGION
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Westchester

- Dwellings not accessible year-round or are not located on all-weather accessible roads.
- Dwellings located on a farm.
- Pitched roofs with rolled roofing material (contact underwriting if rolled roof is solely on porch),
- Dwellings with single room occupancy and/or units rented on an hourly, weekly or monthly basis.
- Risks with unacceptable inspection results (see Inspection Requirements).
- Dwellings with an inspection Roof Grade of 3 are unacceptable.
- Dwellings with Roof Grade 2 are not eligible to carry the Roof Surfaces Extended Coverage Endorsement.
- Policies not in accordance with Insurable Interest Requirements (see section on following pages).
- The named insured/spouse have a prior Allstate underwriting termination(s) within the last 60 days or have a policy in the process of being terminated for underwriting reasons (Underwriting Terminations = Reason 50's), unless pre-approved by the RMBC with the reason for the termination rectified.
- Earthquake coverage is not available for new business or as an added endorsement to existing business.
- Dwellings listed on the State or National Registry of Historic Homes, or the National Register of Historic Places or any other locally designated Historical Society.
- Homes that are abandoned or are condemned.
- Vacant dwellings are unacceptable—insured premises must be occupied within 30 days of the coverage effective date.
- Homes currently for sale are ineligible.
- Homes that were a short sale or a foreclosure purchase are ineligible.
- Dwellings with pre-existing damage to dwelling, foundation, or outbuildings that has not been repaired.
- Risks with adjacent exposures that present unacceptable hazards (such as gas stations, salvage yards, abandoned buildings).

Eff. 10/13/14

Page - 4 - of 13

We expect adherence to this Risk Management Policy, although we recognize that these criteria cannot cover every conceivable situation and reserve the right to deviate where appropriate.

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ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
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Westchester

- Dwellings with attractive nuisances including, but not limited to, unfenced pools (gates must be self-closing and self-latching with child proof latch), skateboard or bike ramps, open pits or wells.
 - A trampoline is acceptable as long as it has a fully enclosed surrounding net and is not in poor condition (i.e., torn protective liner, torn platform, missing or exposed springs, uneven ground placement).
- Dwellings with more than 6 livestock animals (racing or show animals are not allowed) at the residence premises. Livestock include cattle, horses, donkeys, mules, goats, sheep, or swine.
- Relocated dwellings
- Risks in which the applicant or any other occupant of the dwelling owns or keeps on the premises: any wild, exotic, non-domesticated, dangerous or vicious animal.
- Dwellings with illegal trade, business, or activity being conducted.
- Mobile Home/Manufactured Homes—garages/additions to the Mobile Home/Manufactured Home do not change the dwelling type. A home that 'begins' as a Mobile Home/Manufactured Home remains a Mobile Home/Manufactured Home. The correct policy form for this risk: Line 32.
- Dwellings without central heating system (electrical or fossil fuel).
- Dwellings without complete indoor plumbing system.
- Underground/Sod Homes
- A dwelling in the course of construction is ineligible for the House & Home Policy without the course of construction endorsement. The course of construction endorsement is valid a maximum of 12 months.
- If the insured(s) is operating a Day Care Center on the premises for more than 6 children, the risk is ineligible.

Dwelling Limits

- Policy must be written to at least 100% of the estimated replacement cost as developed through the Residential Component Technology TM (RCT), or Property Services inspection. (See dwelling limit requirements under High Value, Select Value and Seasonal/Secondary Homeowner sections.)

Insurable Interest / Occupancy

Eff. 10/13/14

Page - 5 - of 13

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ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

HRM Counties: Bronx, Kings, Manhattan, Nassau, Queens, Richmond, Suffolk,
Westchester

- 1-4 Family Dwellings are eligible.
- Policy must be in the name of an individual or individual and spouse.
- Home must be owner-occupied.
- Residential occupancy by the named insured is required.
- Commercial exposures and non-incidental business on the property are ineligible.
- Corporations and partnerships are unacceptable.
- Policies written in the name of Corporations, Businesses, Partnerships, Marinas, Homeowners Associations and the United States National Park Service are unacceptable.
- Estates are unacceptable; however, **LIVING** Trusts may have an insurable interest as indicated below.
- **LIVING** Trusts may have an insurable interest and can be added as an Additional Insured when all the following conditions are met:
 - 1. The Additional Named Insured Endorsement – AVP8 is utilized (AP4479 for AIC and AI Endorsements)
 - 2. The following information must be supplied when completing the AVP8 – Additional Insured Trust Endorsement:
 - Exact Name of the Trust, and
 - Exact Name and Address of the Trustee(s).

The **LIVING** Trust must have legal title to the residence.

The Grantor(s) must regularly occupy the residence or the Grantor(s) occasionally occupy the dwelling and the risk is rated as a secondary-seasonal dwelling

A copy of the **LIVING** Trust documentation is retained in the agent's office.

High Value Home Requirements

- Dwellings with a replacement cost or market value greater than \$2 million are ineligible.
- Dwelling structures that are 4,000 square feet or greater in size:
 - Must be inspected (interior and exterior) prior to binding. A high-value

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NEW YORK REGION
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Westchester

<p>inspection vendor qualified to establish estimated replacement cost and identify unique exposures or hazards must perform the inspection.</p> <ul style="list-style-type: none"> • Dwelling structures having a total square footage of 3,400 – 3,999 in size: <ul style="list-style-type: none"> ○ Must have an exterior inspection only. <p>The replacement cost value will be established utilizing the RCT evaluation tool.</p>
<u>Select Value Endorsement</u>
<ul style="list-style-type: none"> • Only eligible for pre-1970 year built homes • Must meet all Homeowner eligibility requirements • A dwelling in the course of construction is ineligible. • Dwelling limits are selected by the customer • Cannot be written if the ratio of Selected Value to Replacement Cost exceeds 80%. • Market Value cannot exceed the Replacement Cost • RCT required to be completed on all applications • If the current purchase price is under \$50,000, the dwelling limit cannot exceed 150% disparity to the purchase price. • BSREL and Coverage BC (Building Codes) are ineligible.
<u>Secondary/Seasonal Homeowners</u>
<ul style="list-style-type: none"> • Must meet all Homeowner eligibility requirements • \$1,000 All Peril Deductible required • Minimum Value for Secondary/Seasonal - \$60,000 • Personal Property Reimbursement is available for customers with no contents claims (paid or not paid) in 5 years (including Theft). • A dwelling in the course of construction is ineligible. • Secondary Property held for rental or loaned is ineligible. • Maximum Water Back Up Coverage allowed is \$10,000. • Remember to review the Loss History Section, Secondary/Seasonal for additional requirements.

Eff. 10/13/14

Page - 7 - of 13

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ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

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Westchester

INSPECTIONS

New Business Inspection:

- Inspections will be evaluated using the RCT tool
- Exterior inspections are required on all dwellings.
- All dwelling structures regardless of square footage or replacement cost or age are inspected in HRM counties.
- All other condition requirements must be met as outlined in the New York Inspection Hazards and Condition Guide.

High Value Inspection:

- High Value Inspections will be evaluated using the RCT tool.
- Interior and exterior inspections will be ordered on all dwelling structures that are 4,000 square feet or greater in size regardless of age for all counties in the state.
- Dwelling structures having a total square footage of 3,400 – 3,999 will have an exterior inspection only.
- The replacement cost value will be established utilizing the RCT evaluation tool.
- Inspections will focus special attention to features of the structure/risk which contribute to the increased probability of losses, such as:
 - Fireplace/Chimney
 - Water Heater, Heating System, Bathroom Fixtures, Electrical System
 - Plumbing
 - Roof
 - Any special, unique, or rare building materials
 - Safety features such as fully charged fire extinguishers, smoke alarms, use of kerosene or other fueled space heaters, insuring that there are at least two accessible & unobstructed means of egress in multi-family dwellings, etc.
 - Dwelling with below average maintenance
 - Adjacent properties (or surrounding physical environment) presents exposure to unusual hazards
 - Dwellings undergoing extensive remodeling and/or construction

Eff. 10/13/14

Page - 8 - of 13

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CONFIDENTIAL

AL01051

ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

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Westchester

- Vacancy/inadequate safeguards during extended unoccupancy. Such occupancy in conjunction with business or commercial exposure is ineligible.
- Unusual liability exposures (such as farm animals, dogs with aggressive tendencies)
- Unusual physical exposures (such as farm properties, palatial dwellings, instances where the value of scheduled personal property exceeds 50% of the contents coverage, etc.)

The agent should advise the customer that final acceptance of the application and final premium determination is subject to an inspection by an Allstate inspector or vendor inspector.

COVERAGE INELIGIBILITY

Water Back Up:

- Limits up to \$25,000 available in HRM areas
- \$50,000 limit available in Non HRM areas.
- For limits greater than \$10,000 the following requirement must be met; 0 Group G claims (paid or unpaid) in the past 3 years.

HURRICANE DEDUCTIBLE:

- Minimum 5% Hurricane deductible required in Nassau, Suffolk, Kings, Queens, Manhattan, Bronx, and Richmond Counties.
- Certain zip codes in Westchester are subject to a minimum 3% Hurricane deductible. Certain zip codes are subject to a minimum 5% Hurricane deductible. Refer to the NY Rules for details as to which zip codes require a minimum Hurricane deductible in Westchester.

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NEW YORK REGION
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Westchester

DOGS

No Unacceptable dog breeds allowed.

- **Unacceptable Dog breeds:**

Presacuario

*"Pit Bull" Breeds:

- American Pit Bull Terrier
- American Staffordshire Terrier
- Bull Terrier
- English Bull Terrier
- Pit Bull
- Staffordshire Bull Terrier

*These are all official AKC names for varieties of the Pit Bull

Any mixed-breed variation that includes any of the breeds above will be considered unacceptable.

- **Caution Dog Breeds:**

Akita, Bull Mastiff, Chow Chow, Doberman, Dogue De Bordeaux, German Shepherd, Great Dane, Mastiff, Neapolitan Mastiff, Rottweiler, Wolf/Wolf Hybrid

Any risk involving 2 or more of the "caution" listed dogs requires the agent to ask the following questions. Any 'yes' response deems the risk ineligible. The agency must retain a copy of the completed 'Caution Dog Underwriting Questionnaire*' on file.

Field Underwriting Considerations for Caution Dog Breeds:

- ✓ Has the dog ever bitten anyone resulting in injury?
- ✓ Has there ever been complaint(s) filed with the police or dog warden involving the dog(s)? Describe these events, if any.
- ✓ Has there ever been any claim(s) or paid loss(es) filed with prior insurance carrier(s)? Use both Property PQB data and declared incidents.
- ✓ Is there frequent exposure to non-resident children under the age of 10?

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NEW YORK REGION
Primary & Secondary/Seasonal Residence

HRM Counties: Bronx, Kings, Manhattan, Nassau, Queens, Richmond, Suffolk,
Westchester

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Westchester

The following zip codes within Westchester County are eligible for new business offerings and are not considered a part of HRM:

10501	10514	10527	10547	10572	10595	10502	10517
10530	10548	10576	10596	10503	10518	10532	10549
10578	10597	10504	10519	10533	10560	10587	10598
10505	10520	10535	10562	10588	10706	10506	10521
10536	10566	10589	10507	10522	10540	10567	10590
10510	10523	10545	10570	10591	10511	10526	10546
10571	10594						

The following zip codes within Westchester County are considered a part of HRM:

10528	10573	10604	10703	10801	10538	10577	10605
10704	10802	10543	10580	10606	10705	10803	10550
10583	10607	10707	10804	10551	10601	10610	10708
10805	10552	10602	10701	10709	10553	10603	10702
10710							

This section applies to HRM Counties only

- Property must be located in a zip code with PML capacity AND outside of a 'No Write' zip code
- Property must have a CRM Score < 6.0
- Pre-Bind WSR must be completed and approval received from the Product Management Department prior to binding.
- Maximum Amount of Insurance is \$850,000Dollars (Westchester – \$1.5 Million Dollars)

Eff. 10/13/14

Page - 11 - of 13

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CONFIDENTIAL

AL01054

ALLSTATE Vehicle and Property Insurance Company
LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

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Westchester

- Signed Application from the customer
- 100% Inspection Requirement
- Distance to Shore:
 - Suffolk/Nassau/Queens**
 - Risk must exceed 2,500 feet to the shore for both the North and South shores.
 - Brooklyn**
 - Risk must exceed 5,000 feet from the South Shore Tip
 - Risk must exceed 2,500 feet to shore for all other locations
 - Staten Island**
 - Risk must exceed 2,500 feet to shore from the South/East shorelines
 - Risk must exceed 1,000 feet to shore from the North/West shorelines
 - Bronx/Westchester**
 - Risk must exceed 1,000 feet to shore
- Hurricane Deductible applies as per the above Hurricane Deductible section of the RMP
- No exceptions will be considered
- In addition to these HRM guidelines, the House and Home RMP must be met

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LINE 70 HOMEOWNER RISK MANAGEMENT POLICY
NEW YORK REGION
Primary & Secondary/Seasonal Residence

HRM Counties: Bronx, Kings, Manhattan, Nassau, Queens, Richmond, Suffolk,
Westchester

The following zip codes are **NOT** eligible for new business:

Zip Code	County	Zip Code	County	Zip Code	County	Zip Code	County
06390	Suffolk	11697	Queens	11782	Suffolk	11955	Suffolk
10004	New York	11702	Nassau	11789	Suffolk	11956	Suffolk
10035	New York	11705	Suffolk	11795	Suffolk	11957	Suffolk
10044	New York	11706	Suffolk	11796	Suffolk	11958	Suffolk
10306	Richmond	11709	Nassau	11930	Suffolk	11959	Suffolk
10308	Richmond	11713	Suffolk	11932	Suffolk	11960	Suffolk
10454	Bronx	11715	Suffolk	11934	Suffolk	11962	Suffolk
10459	Bronx	11718	Suffolk	11935	Suffolk	11963	Suffolk
11234	Kings	11719	Suffolk	11937	Suffolk	11964	Suffolk
11509	Nassau	11726	Suffolk	11939	Suffolk	11965	Suffolk
11558	Nassau	11730	Suffolk	11940	Suffolk	11967	Suffolk
11559	Nassau	11739	Suffolk	11941	Suffolk	11968	Suffolk
11561	Nassau	11741	Suffolk	11942	Suffolk	11969	Suffolk
11569	Nassau	11751	Suffolk	11944	Suffolk	11971	Suffolk
11690	Queens	11757	Suffolk	11946	Suffolk	11972	Suffolk
11691	Queens	11769	Suffolk	11948	Suffolk	11975	Suffolk
11692	Queens	11770	Suffolk	11950	Suffolk	11976	Suffolk
11693	Queens	11772	Suffolk	11951	Suffolk	11977	Suffolk
11694	Queens	11777	Suffolk	11952	Suffolk	11978	Suffolk
11695	Queens	11778	Suffolk	11954	Suffolk		

DOWN PAYMENT

- 1 Month Down Payment required
- COD (Cash on delivery) is acceptable on bank pay policies (Homeowner/Condo/Co-op, and new business written more than 30 days Future Effective).